
General Information - Homestead Property Tax Credit (MI-1040CR)

The request for your Social Security number is authorized under USC Section 42. Social Security numbers are used by the Michigan Department of Treasury to conduct matches against benefit income provided by the Social Security Administration and other sources to verify the accuracy of the home heating credit and property tax

credit claims filed and to deter fraudulent filing(s).

Who May Claim a Property Tax Credit

You may claim a property tax credit if all of the following apply:

- Your homestead is located in Michigan.

- You were a Michigan resident at least six months of 2005.

- You pay property taxes or rent on your Michigan homestead.

You can have only one **homestead** at a time, and you must be the occupant as well as the owner or renter. Your homestead can be a rented apartment or a mobile home on a lot in a mobile home park. A vacation home or income

property is **not** considered your homestead.

Your homestead is in your state of **domicile**. Domicile is the place where you have your permanent home. It is the place you plan to return to whenever you go away. Even if you spend the winter in a southern state, your domicile is still Michigan. College students and others whose permanent homes are not in Michigan are **not** Michigan residents. Domicile continues until you establish a new permanent home.

Property tax credit claims may **not** be submitted on behalf of minor children.

You may not claim a property tax credit if your household income is over \$82,650. The computed credit is reduced by 10 percent for every \$1,000 (or part of \$1,000) that household income exceeds \$73,650. If filing a part-year return, you must annualize household income to determine if the income limitation applies. See instructions for annualizing on page 22.

Which Form to File

Most filers should use Form MI-1040CR in this book.

If you are blind and own your homestead, are in the active military, are an eligible veteran or an eligible veteran's surviving spouse, request Form MI-1040CR-2 and complete an MI-1040CR and an MI-1040CR-2. **Use the form that gives you a larger credit.** If you are blind and rent your homestead, you cannot use the MI-1040CR-2. Claim your credit on Form MI-1040CR and check the appropriate box on line 5.

When to File

If you are not required to file a *Michigan Individual Income Tax Return* (Form MI-1040), you may file your credit claim as soon as you know your 2005 household income and property taxes levied in 2005. If you file a Michigan income tax return, your credit claim should be attached to your MI-1040 return and filed by April 17, 2006 to be considered timely. To avoid penalty and interest, if you owe tax, postmark no later than April 17, 2006.

Amending Your Credit Claim

Use Form MI-1040X and attach a copy of your corrected credit form. You must do this within four years of the date set for filing your original income tax return.

Delaying Payment of Your Property Taxes

Senior citizens, disabled people, veterans, surviving spouses of veterans and farmers may be able to delay paying property taxes. Contact your local or county treasurer for more information.

Household Income

Household income is the total income (taxable and nontaxable) of both spouses or of a single person maintaining a household. It is your AGI, plus all income exempt or excluded from AGI. Include gains realized on the sale of your residence regardless of your age or whether or not these gains are exempt from federal income tax. (See instructions beginning on page 20.)

Household income does NOT include:

- Payments received by participants in the foster grandparent or senior companion program
- Energy assistance grants
- Government payments to a third party (e.g., a doctor)

Note: If payment is made from money withheld from your benefit, the payment **is** part of household income. (For example, the Department of Human Services (DHS) may pay your rent directly to the landlord.)

- Money received from a government unit to repair or improve your homestead
- Surplus food or food stamps
- State and city income tax refunds and homestead property tax credits
- Chore service payments (These payments are income to the provider but not the person receiving the service)
- The first \$300 from gambling, bingo, lottery, awards or prizes

- The first \$300 in gifts, cash or expenses paid on your behalf by a family member or friend
- Loan proceeds
- Inheritance **from a spouse**
- Life insurance benefits **from a spouse**
- Amounts deducted from Social Security or railroad retirement benefits for Medicare premiums
- Life, health and accident insurance premiums paid by your employer. However, if you pay medical insurance or health maintenance organization (HMO) premiums for you or your family, you may deduct the cost from household income.

Property Taxes That Can Be Claimed for Credit

Ad valorem property taxes that were levied on your homestead in 2005, including collection fees up to 1 percent of the taxes, can be claimed no matter when you pay them. You must **deduct** from your 2005 property taxes any refund of property taxes received in 2005 that was a result of a corrected tax bill from a previous year.

Do not include:

- Delinquent property taxes (e.g., 2004 property taxes paid in 2005)
- Penalty and interest on late payments of property tax
- Delinquent water or sewer bills
- Property taxes on cottages or second homes
- Most special assessments for drains, sewers and roads do not meet specific tests and may not be included. You may include special assessments only if they are levied using a uniform millage rate, are based on taxable value and are either levied in the entire taxing jurisdiction or they are used to provide police, fire or advanced life support services and are levied township-wide, except for all or a portion of a village.

Home used for business. If you use part of your home for business, you may claim the property taxes on the living area of your homestead, but **not** the property taxes on the portion used for business.

Note: School operating taxes are only levied on the non-homestead portion of the property and may not be included in taxes levied when computing the property tax credit.

Owner-occupied duplexes. When both units are equal, you are limited to 50 percent of the tax on both units, after subtracting the school operating taxes from the total taxes billed.

Owner-occupied income property. Apartment building and duplex owners who live in one of the units or single family homeowners who rent a room(s) to a tenant(s) must do two calculations to figure the tax they can claim and base their credit on the **lower** amount. First, subtract 20 percent of the rent collected from the tax claimed for credit. Second, reduce the tax claimed for credit by the amount of tax claimed as rental expense on your U.S. 1040.

For example, your home has an upstairs apartment that is rented to a tenant for \$395 a month. Total property taxes on your home are \$2,150. Of this amount, \$948 is claimed as rental expense. The calculations are as follows:

Step 1:

$\$395 \times 12 = \$4,740$ annual rent

$\$4,740 \times .20 = \948 taxes attributable to the apartment

$\$2,150$ eligible taxes - $\$948 = \$1,202$ taxes attributable to owner's homestead

Step 2:

$\$2,150$ total taxes - $\$858$ taxes claimed as a business deduction = $\$1,292$ taxes attributable to homestead

The owner's taxes that can be claimed for credit are \$1,202, the smaller of the two computations.

Farmers. Include farmland taxes in your property tax credit claim if any of the following conditions apply:

- If your gross receipts from farming are greater than your household income, you may claim all of your farmland taxes including taxes on unoccupied farmland. Do **not** include taxes on farmland that is not adjacent or contiguous to your home and that you rent or lease to another person.
- If gross receipts from farming are less than your household income and

you have lived in your home **more** than 10 years, you may claim the taxes on your home and the farmland adjacent and contiguous to your home.

- If gross receipts from farming are less than your household income and you have lived in your home **less** than 10 years, you may claim the taxes on your home and five acres of farmland adjacent and contiguous to your home.

You may **not** claim **rent paid** for vacant farmland when computing your property tax credit claim.

Include any farmland preservation tax credit in your household income. Enter the amount of credit you received in 2005 on line 17 or include it in net farm income on line 15.

Homestead property tax credits are **not** included in household income. If you included this amount in your taxable farm income, subtract it from household income.

Rent That Can Be Claimed for Credit

You must be under a lease or rental contract to claim rent for credit. In most cases, 20 percent of rent paid is considered property tax that can be claimed for credit. The following are exceptions:

- If you live in housing on which **service fees** are paid instead of taxes, 10 percent of your rent can be claimed for credit. If the landlord says your tax share is less than 10 percent, use the amount the landlord gives you.
- If your housing is **exempt** from property tax and no service fee is paid, you are **not** eligible for credit. This includes university- or college-owned housing.
- If your **housing costs are subsidized**, base your claim on the amount you pay. Do not include the federal subsidy amount.
- **If you are a mobile home park resident**, claim the \$3 per month specific tax on line 7, and the balance of rent paid on line 8.
- If you are a **cooperative housing corporation resident member**, claim your share of the property taxes on the building. If you live in a cooperative where residents pay rent on the land

under the building, you may also claim 20 percent of that land rent. (Do **not** take 20 percent of your total monthly payment.)

- When you pay **room and board in one fee**, you must also determine your tax that can be claimed for credit based on square footage. For example, you pay \$750 a month for room and board. You occupy 600 square feet of a 62,000 square foot apartment building. The landlord pays \$54,000 in taxes per year.

Step 1: $600/62,000 = .0097$

Step 2: $\$54,000 \times .0097 = \524 taxes you can claim for credit.

If You Moved in 2005

Residents who temporarily lived outside Michigan may qualify for a credit if Michigan remained their state of domicile. Personal belongings and furnishings must have remained in the Michigan homestead **and** the homestead must **not** have been rented or sublet during the temporary absence. (See the definitions of resident on page 6 and domicile on page 17.)

If you bought or sold your home, you must prorate your taxes. Complete Form MI-1040CR, lines 36-42, to determine the taxes that can be claimed for credit. Use only the taxes levied in 2005 on each Michigan homestead, then prorate taxes based on days of occupancy. Do **not** include taxes on out-of-state property.

Part-Year Residents

If you lived in Michigan at least six months during the year, you may be entitled to a partial credit. If you are a part-year resident, you must include all income received as a Michigan resident in household income (line 28). Complete Form MI-1040CR, lines 36-42, to determine the taxes eligible to be claimed for credit on your Michigan homestead.

Residents of Nursing Homes and Other Adult Care Homes

If you are a resident of a nursing home, adult foster care home or home for the aged, that facility is considered your homestead. If the facility pays local property taxes (many do not), you may claim your portion of those taxes for credit. You may **not** claim rent. Ask the manager what your share is or, to determine it yourself, divide the amount of property tax levied on the facility in 2005 by the number of residents for which the facility is licensed. This is your share. If both you and your spouse live in the facility, add your shares together. If you lived in the facility only part of the year, multiply this amount by the portion of the year you lived at the facility.

Exception: Credit is not allowed if your facility care charges are paid directly to the facility by a government agency.

If you maintain a homestead and your spouse lives in an adult care home, you may file a joint credit claim. Combine the tax for your homestead and your spouse's share of the facility's property tax to compute your claim.

If you are single and maintain a homestead (that is **not** rented) while living in an adult care home, you may claim either your homestead or your share of the facility's property tax, but not both. Use the one that gives you the larger credit.

Deceased Claimant's Credit

The estate of a taxpayer who died in 2005 (or 2006 before filing a claim) may be entitled to a credit for 2005. The surviving spouse, other authorized claimant, or personal representative can claim this credit. Use the deceased's Social Security number and the personal representative's address. If taxpayer died after December 31, 2004, enter the date of death in the "Deceased Taxpayers" box on the bottom of pg. 2.

The **surviving spouse** may file a joint claim with the deceased. Enter both names and Social Security numbers on the form, and write "DECD" after the deceased's name. Sign the return and write "filing as surviving spouse" in the

deceased's signature block. Enter the date of death in the "Deceased Taxpayers" box on the bottom of pg. 2. Include the deceased's income in household income.

If filing as a **personal representative** or **claimant** to the refund of a single deceased taxpayer(s), you must attach a *Statement of Person Claiming Refund Due a Deceased Taxpayer* (U.S. 1310) or *Michigan Claim for Refund Due a Deceased Taxpayer* (Form MI-1310). Enter the deceased's name in the Filer's Name field and the representative's or claimant's name and title in the Spouse's Name field. See the "Deceased Taxpayer Chart of Examples" on page 43. A **claimant** must prorate to the date of death as noted in the following paragraph.

The **personal representative** or **claimant** claiming a credit for a single deceased person or on a jointly filed credit if both filers became deceased during the 2005 tax year, must prorate taxes to the date of death. Complete lines 38-42 to prorate the property taxes. Annualize household income. (See the instructions for line 29 and 34 on page 21 and 22.) Attach a copy of the tax bills or rent receipts. If filing as a **personal representative** or **claimant** of a deceased taxpayer(s) for a **jointly** filed return, you must attach a *Statement of Person Claiming Refund Due a Deceased Taxpayer* (U.S. 1310) or *Michigan Claim for a Refund Due a Deceased Taxpayer* (Form MI-1310). Enter the names of the deceased persons in the Filer's and Spouse's Name fields and the representative's or claimant's name, title and address in the Home Address field. See "Deceased Taxpayer Chart of Examples" on page 43.

If you are a personal representative or claimant filing a joint return, see "Deceased Taxpayers" on page 7.

Married During 2005

If you married during 2005, combine each spouse's share of taxes or rent for the period of time he or she lived in separate homesteads. Then add the prorated share of taxes or rent for the time you lived together in your marital

home. This only applies to homes located in Michigan.

Married Filing Separately

Spouses who file separate Michigan income tax returns and share a household are entitled to **one** property tax credit. Complete your property tax credit claim jointly and include income from both spouses in household income. Divide the credit as you wish. If each spouse claims a portion of the credit, attach a copy of the claim showing each spouse's share of the credit to each income tax return. Enter only your portion of the credit on Form MI-1040, line 33.

Separated and Filing a Joint Return With Your Spouse

Your claim must be based on the tax or rent for 12 months on only one home. The household income must be the combined income of both you and your spouse for the entire year.

Filing Separate Federal and State Returns and Maintaining Separate Homesteads

You may each claim a credit. Each credit is based on the individual taxes or rent and individual income for each person.

Separated or Divorced in 2005

Figure your credit based on the taxes you paid together before your separation plus the taxes you paid individually after your separation. Attach a schedule showing your computation.

For example, Bob and Susan separated on October 2, 2005. The annual taxes on the home they owned were \$1,860. Susan continued to live in the home and Bob moved to an apartment on October 2 and paid \$350 per month rent for the rest of the year. Susan earned \$20,000 and Bob earned \$25,000. They lived together for 274 days.

Step 1: Calculate the prorated income for each spouse for the 274 days they lived together. Divide each spouse's total income by 365 days then multiply that figure by 274.

Susan $(\$20,000/365) \times 274 = \$15,014$
Bob $(\$25,000/365) \times 274 = \$18,767$

Step 2: Add both prorated incomes together to determine the total income for the time they lived together.

$$\$15,014 + \$18,767 = \$33,781$$

Step 3: Divide each individual's prorated share of income by the total income from Step 2 to determine the percentage of income attributable to each.

$$\text{Susan } \$15,014/\$33,781 = 44\%$$

$$\text{Bob } \$18,767/\$33,781 = 56\%$$

Step 4: Calculate the prorated taxes eligible for credit for the time they lived

together. Divide the \$1,860 by 365 days, then multiply by 274 days.

$$(\$1,860/365) \times 274 = \$1,396$$

Step 5: Calculate each individual's share of the prorated taxes. Multiply the \$1,396 by the percentages determined in Step 3.

$$\text{Susan } \$1,396 \times 44\% = \$614$$

$$\text{Bob } \$1,396 \times 56\% = \$782$$

Enter these amounts on your MI-1040CR, line 41, column A.

Susan uses lines 38-41, column B, to compute her share of taxes for the remaining 91 days.

Bob uses lines 43-44 to compute his share of rent. Each completes the remaining lines of the MI-1040CR according to the form instructions.

Single Adults Sharing a Home

When two or more single adults share a home, each may file a credit claim if each has contracted to pay rent or owns a share of the home. Each adult should file an individual claim based on his or her household income and prorated share of taxes or rent paid.

Line-by-Line Instructions for Form MI-1040CR

Lines not listed are explained on the form.

Lines 1, 2 and 3: Enter your name(s), address and Social Security number(s). If you are married, filing separate claims, enter both Social Security numbers, but do **not** enter your spouse's name.

Line 5: Check the box(es) that applies to you or your spouse as of December 31, 2005:

a) Age 65 or older.

Unremarried surviving spouse of a person who was 65 or older at the time of death. You are considered 65 the day before your 65th birthday.

b) Deaf, blind, (see page 10, 9c instructions), hemiplegic, paraplegic, quadriplegic or totally and permanently disabled (as defined under Social Security Guidelines 42 USC 416).

Property Tax and Household Income

Include all taxable and nontaxable income you and your spouse received in 2005. If your family lived in Michigan and one spouse earned wages outside Michigan, include the income earned out of state in your household income. (See "Household Income" and "Property Taxes That Can Be Claimed for Credit" on page 17.)

Line 6: If you own your homestead, enter the 2005 taxable value from your

2005 property tax statement or assessment notice. If you do not know your taxable value, ask your local treasurer. Farmers should include the taxable value on all land that qualifies for this credit.

Line 7: Read "Property Taxes That Can Be Claimed for Credit" on page 17 before you complete this line.

Line 11: Enter all compensation received as an employee. Include strike pay, supplemental unemployment benefits (SUB pay), sick pay or long-term disability benefits, including income protection insurance and any other amounts reported to you on Form W-2.

Line 13: Enter the total of the amounts from your U.S. *Schedule C* (business income or loss), U.S. 4797 (other gain or loss) and U.S. *Schedule E* (rents, royalties, partnerships, S corporations, estates and trusts). Include amounts from sources outside Michigan. **Attach these schedules to your claim.**

Line 14: Enter all annuity, retirement pension and IRA benefits and the name of the payer. This should be the taxable amount shown on your U.S. 1099-R. If no taxable amount is shown on your U.S. 1099-R, use the amount required to be included in AGI. Enter zero if all of your distribution is from your contributions made with income

previously included in AGI. Include reimbursement payments such as an increase in a pension to pay for Medicare charges. Also include the total amount of any lump sum distribution including amounts reported on your U.S. 4972. Do not include recoveries of after-tax contributions or amounts rolled over into another plan (amounts rolled over into a Roth IRA must be included to the extent included in AGI).

You must include any part of a distribution from a Roth IRA that exceeds your total contributions to the Roth IRA regardless of whether this amount is included in AGI. Assume that all contributions to the Roth IRA are withdrawn first. **Note:** Losses from Roth IRAs cannot be deducted.

Line 15: Enter the amount from U.S. *Schedule F* (farm income or loss). Attach *Schedule F*.

Line 16: Enter net capital gains and losses. This is the total of short- and long-term gains, less short- and long-term losses from your U.S. *Schedule 1040D*, line 16 (for gains) or line 21 (for losses--cannot exceed \$3,000). Include gains realized on the sale of your residence regardless of your age or whether or not these gains are exempt from federal income tax.

Line 17: Enter alimony received and other taxable income. Describe other taxable income. This includes:

- Awards, prizes, lottery, bingo and other gambling winnings over \$300
- Farmland preservation tax credits, if not included in farm income on line 15.

Line 18: Enter your Social Security, Supplemental Security Income (SSI) and/or Railroad Retirement benefits. Include death benefits and amounts received for minor children or other dependent adults who live with you. Report the amount actually received. Do **not** include the amount deducted for Medicare.

Line 19: Enter child support and all payments received as a foster parent. **Note:** If you received a *2005 Child Support Year-End Statement* (FEN-851) showing child support payments paid to the Friend of the Court, enter the child support portion here and attach a copy of the statement. See line 23.

Line 21: Enter other nontaxable income. This includes:

- Compensation for damages to character or for personal injury or sickness
- An inheritance (**except an inheritance from your spouse**)
- Proceeds of a life insurance policy paid on the death of the insured (**except benefits from a policy on your spouse**)
- Death benefits paid by or on behalf of an employer
- The value over \$300 in gifts of cash, merchandise or expenses paid on your behalf (rent, taxes, utilities, food, medical care, etc.) from parents, relatives or friends
- Minister's housing allowance
- Amounts paid directly to you as a scholarship, stipend, grant or GI bill benefits
- Reimbursement from dependent care and/or medical care spending accounts.

Also include payments made on your behalf except government payments made directly to an educational

institution or subsidized housing project.

Line 22: Enter workers' compensation benefits, service-connected disability compensation and pension benefits from the Veterans Administration. Veterans receiving retirement benefits should enter their benefits on line 14.

Line 23: Enter the total payments made to your household by the DHS and all other public assistance payments. Your *2005 Client Annual Statement* (DHS-1241AX) mailed by DHS in January 2006 will show your total DHS payments. Your statement(s) may include the following: FIP assistance, State Disability Assistance (SDA), Refugee Assistance, Repatriate Assistance and vendor payments for shelter, heat and utilities. **Note:** If you received a *2005 Child Support Year-End Statement* (FEN-851), subtract the amount of child support payments entered on line 19 from the total DHS payments and enter the difference here.

Line 25: Enter total adjustments from your U.S. 1040, line 36, or U.S. 1040A, line 20. Describe adjustments to income. These adjustments reduce household income and include the following:

- Educator expenses
- Certain business expenses of reservists, performing artists and fee-basis government officials (U.S. 2106 or U.S. 2106EZ)
- Payments to individual retirement accounts (IRAs), SEP, SIMPLE or qualified plans
- Student loan interest deduction
- Tuition and fees deduction
- Medical savings account deduction
- Health savings account deduction
- Moving expenses into or within Michigan
- Deduction for self-employment tax
- Self-employed health insurance deduction
- Forfeited interest penalty for premature withdrawal
- Alimony paid
- Domestic production activities deduction

- Any other adjustments to gross income included on line 36 of your 2005 U.S. 1040.

Also enter the amount of a net operating loss (NOL) deduction. **Note:** A deduction for a carryback or carryforward of an NOL cannot exceed federal modified taxable income. Attach your *Application for Net Operating Loss Refund* (Form MI-1045).

Line 26: Enter medical insurance or HMO premiums you paid for yourself and your family (**not Medicare**). Include medical insurance premiums paid through post-tax payroll deduction. Include the portion of auto insurance paid for medical coverage. Do **not** include insurance premiums deducted on line 25 or premiums paid for income protection and long-term care insurance or amounts paid through pre-tax payroll.

Property Tax Credit

Line 29: Multiply line 28 by 3.5 percent (.035) or the percentage from Table 3 on page 22. **This is the amount that will not be refunded.** The personal representative claiming a credit for a deceased taxpayer with household income of \$6,000 or less must annualize the deceased's income and use the annualized figure to determine the nonrefundable percentage from Table 3 (page 22). Then use the **actual** household income to compute the credit. See instructions for annualizing on page 22.

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Line 34: Taxpayers with household income over \$82,650 (line 28) are not eligible for credit in any category. The computed credit is reduced by 10 percent for every \$1,000 (or part of \$1,000) that your household income exceeds \$73,650. If you are filing a part-year return (for a deceased taxpayer or a part-year resident), you must annualize the household income to determine if the credit reduction applies. If the annualized income is more than \$73,650, use actual household income to compute the credit; then reduce the credit 10 percent for every \$1,000 (or part of \$1,000) that your annualized income exceeds \$73,650. The surviving spouse filing a joint claim does not have to annualize the deceased spouse's income.

To annualize income (project what it would have been for a full year):

Step 1: Divide 365 by the number of days the claimant was a Michigan resident in 2005.

Step 2: Multiply the answer from step 1 by the claimant's household income (line 28). The result is annualized income.

Line 35: If you and your spouse had a different residency status, check the box that applies to each spouse.

Renters

See "Rent That Can Be Claimed for Credit" on page 18.

Line 43: If you rented a Michigan homestead subject to local property taxes, enter the street number and name, city, landlord's name and address, number of months rented, rent paid per month and total rent paid. Do this for each Michigan homestead rented during 2005. If you need more space, attach an additional sheet. Do not include more than 12 months' rent. Do not include amounts paid directly to the landowner on your behalf by a government agency, unless payment is made with money withheld from your benefit.

Credit Proration

If you received FIP assistance or other DHS benefits in 2005, prorate your credit to reflect the ratio of income from other sources to total household income. To prorate your credit, complete your Form MI-1040CR, lines 1-30 first, then use the information from your form to complete Worksheet 4 below.

Alternate Property Tax Credit for Renters Age 65 or Older

Worksheet 5, Line B: Enter rent paid from line 44 or, if you live in service fee housing, enter amount from line 46. If you moved from one rental homestead to another during the last two years (also see "If You Moved in 2005" on page 18), enter smaller of:

- The final month's rent on your previous rented homestead multiplied by 12, **or**
- The actual rent paid from line 44 or line 46.

TABLE 3: PERCENT OF TAXES NOT REFUNDABLE

ALL GENERAL CLAIMANTS

<u>Income</u>	<u>% of Income</u>
\$0 - \$82,650	3.5%

OTHER CLAIMANTS*

<u>Income</u>	<u>% of Income</u>
\$3,000 or less	0%
\$3,001 - \$4,000	1%
\$4,001 - \$5,000	2%
\$5,001 - \$6,000	3%
More than \$6,000	3.5%

*Other claimants are senior citizens or people who are paraplegic, hemiplegic, quadriplegic, blind, deaf, or totally and permanently disabled or unremarried spouse of an individual 65 or older.

WORKSHEET 4 - FIP/DHS BENEFITS

- A. Enter amount from line 23 (FIP and other DHS benefits)
- B. Enter amount from line 28 (Household Income)
- C. Subtract line A from line B
- D. Divide line C by line B and enter percentage here
- E. If you checked a box on line 5, enter amount from line 30. All others, multiply amount on line 30 by 60% (.60) and enter here (max. \$1,200) ...
- F. Multiply line E by line D. If you are age 65 or older and you rent your home, enter amount here and on line A of Worksheet 5 below.
- Otherwise, enter here and on your MI-1040CR, line 32**

WORKSHEET 5 - ALTERNATE PROPERTY TAX CREDIT FOR RENTERS AGE 65 AND OLDER

- A. Enter amount from line 30 or from Worksheet 4, Line F, above
- B. Enter rent paid from line 44 or line 46
- C. Multiply amount on line 28 by 40% (.40) and enter here
- D. Subtract line C from line B. If line C is more than line B, enter "0"
- E. Enter the larger of line A or line D here and carry amount to your MI-1040CR, line 32